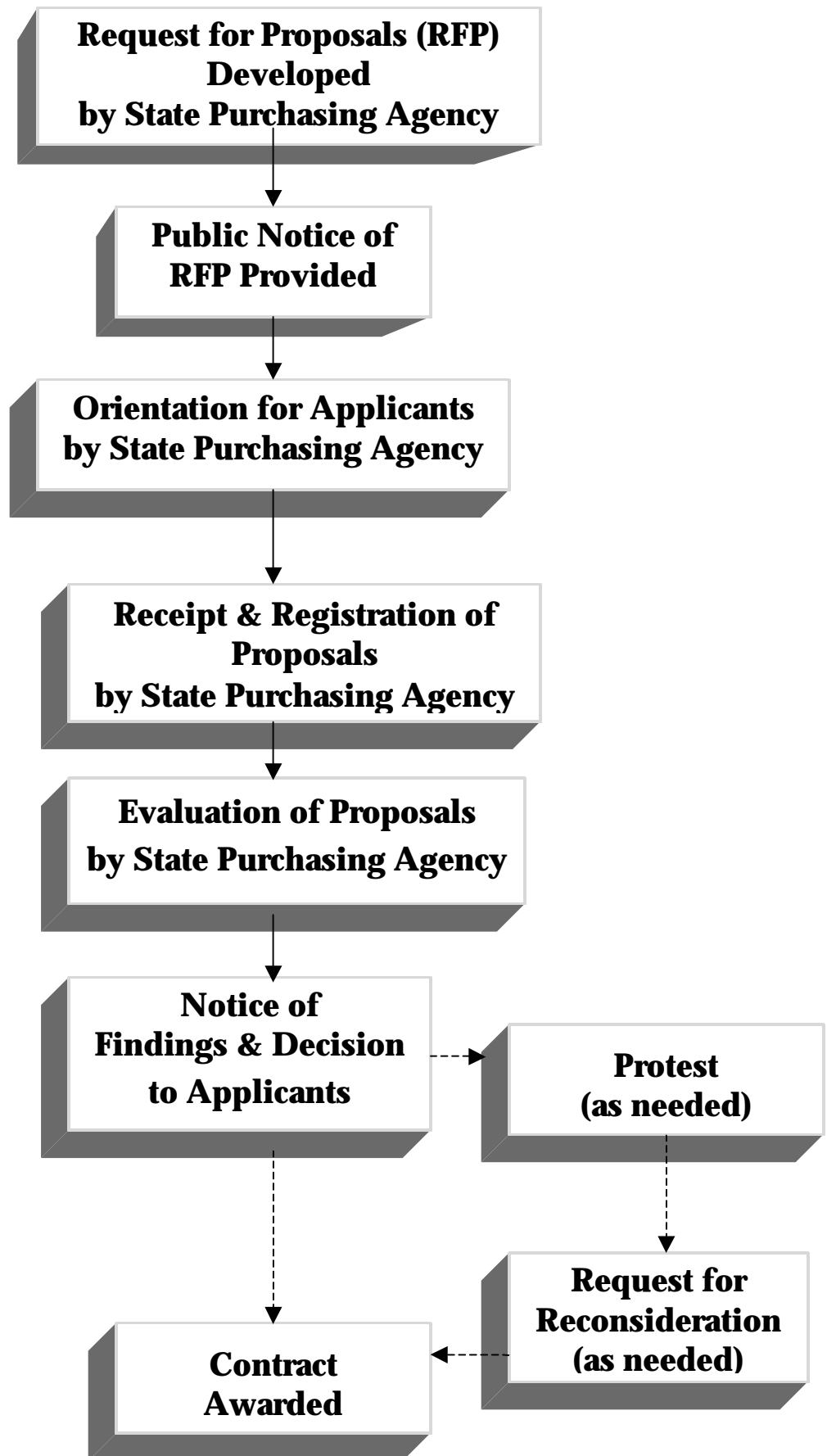


**PURCHASES OF HEALTH AND HUMAN SERVICES
PROCUREMENT FLOW CHARTS AND REFERENCES
ON THE
5 METHODS OF PROCUREMENT**

Competitive Purchase of Services
Restrictive Purchase of Services
Treatment Purchase of Services
Small Purchase of Services
Crisis Purchase of Services

(Chapter 103F, Hawaii Revised Statutes)

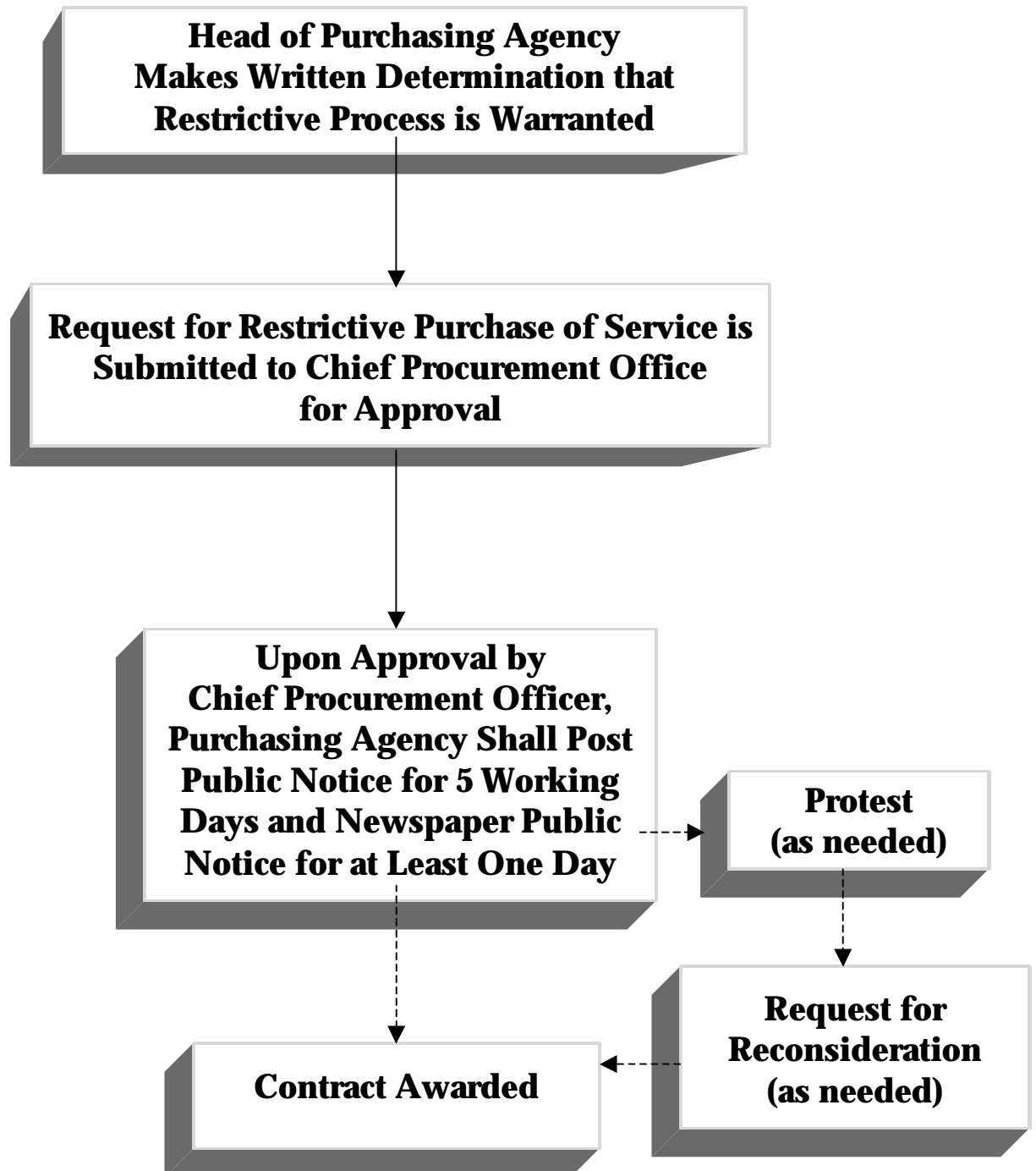
Chapter 103F, HRS
Competitive POS Procurement Process
for Health and Human Services



Competitive Purchase of Service Method for the Procurement of Health and Human Services

Brief Description	Competitive request for proposal process. Requires the solicitation of proposals to select providers and award funds for the delivery of health and human services.
Bases for Use	Purchasing agency has budgeted funds and/or the legislature has appropriated funds for purchase of health and human services.
Procedures	Public notice requesting submission of health and human service proposals is issued. All criteria which will be used to evaluate proposals and the relative importance of the criteria must be in the request for proposal. Proposals opened so as to avoid disclosure of contents to competing applicants during proposal evaluation. There may be discussions with applicants if it is stated in the request for proposal or in accordance with rules for clarification to assure full understanding of the requirements of the request for proposals.
Solicitation Required	Yes. Via request for proposals (RFP).
Term Limit of Contract	As stated in the request for proposal.
Monetary Cap	Limited by availability of funds.
Protests	May protest a purchasing agency's failure to follow procedures of this chapter or rules of the policy board, or a request for proposal. Also contains a request for reconsideration process.
Other Comments	Method to be used most often.
Reference	Hawai'i Revised Statutes §103F-402 Competitive Purchase of Services §103F-501 Protested Awards §103F-502 Right to Request Reconsideration §103F-503 Award of Contract Suspended During a Protest §103F-504 Exclusivity of Remedies and Hawai'i Administrative Rules (HAR)

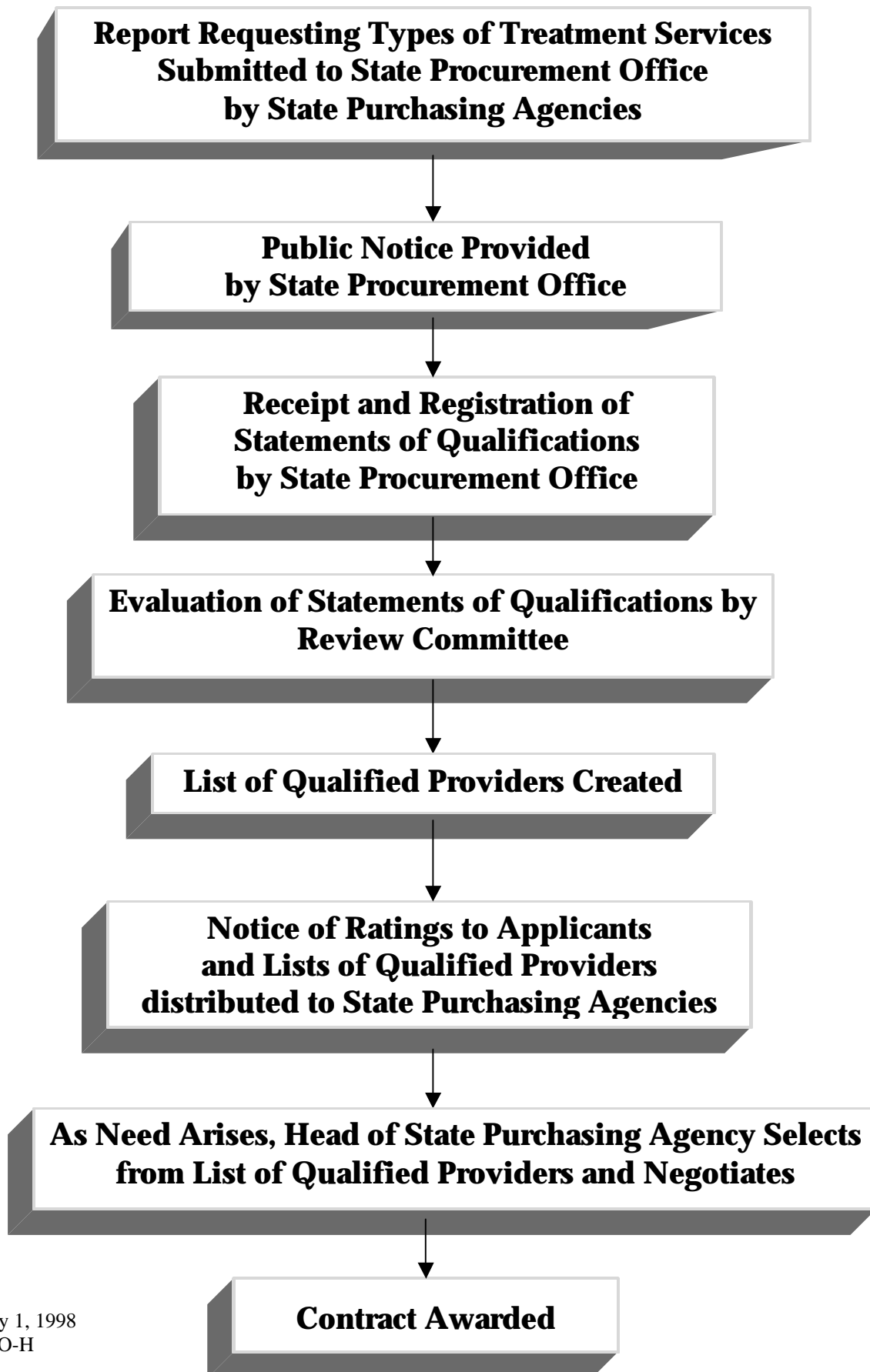
Chapter 103F, HRS
Restrictive POS Procurement Process
for Health and Human Services



Restrictive Purchase of Service Method for the Procurement of Health and Human Services

Brief Description	Award without competition when certain conditions are met.
Bases for Use	Bases for restrictive purchase include, but are not limited to: 1. Need for a service in a geographic area available from only one provider; 2. Need for a service with a unique cultural approach designed for a limited target group available from only one provider; or 3. Only one provider satisfies limitations imposed by funding source.
Solicitation Required	No. However, public notice of intention to utilize a restrictive contract must be posted along with a newspaper public notice.
Term Limit of Contract	Not to exceed two years.
Approval Required	Head of purchasing agency makes a written determination. Chief Procurement Officer approves the determination in writing.
Monetary Cap	Limited by availability of funds.
Protests	May protest a purchasing agency's failure to follow procedures of this chapter or rules of the policy board. Also contains a request for reconsideration process.
Procedures	Purchasing agency submits written determination with evidence supporting the request for restrictive purchase to chief procurement officer. Chief procurement officer reviews request and, if approved, state agency posts a public notice and newspaper public notice that includes a statement that any person may file a written protest and address of person or purchasing agency with whom protests are to be filed and date due. Written determination, any protests, written summary of disposition of any protest will be included in the contract database.
Reference	Hawai'i Revised Statutes §103F-403 Restrictive Purchase of Services §103F-501 Protested Awards §103F-502 Right to Request Reconsideration §103F-503 Award of Contract Suspended During a Protest §103F-504 Exclusivity of Remedies and Hawai'i Administrative Rules

**Chapter 103F, HRS
Treatment POS Procurement Process
for Health and Human Services**



Chapter 103F, HRS

Treatment Purchase of Services

To qualify for treatment services the following definition of health and human services and requirements must be met:

Health and Human Services (§103F-102, HRS)

Services to communities, families, or individuals which are intended to maintain or improve health or social well-being.

Treatment (§103F-102, HRS)

Services to individuals and families by health or social work professionals which attempt to alleviate physical or mental illness or behavioral problems, including but not limited to, medical treatment, counseling, physical, occupational and other therapeutic services, and referral and case management services for medical treatment, counseling, and other therapeutic services.

Treatment Purchase of Services (§103F-404 (a)(1)(2), HRS)

Treatment services may be purchased if either or both of the following are applicable:

**Such services may become necessary from time to time, but cannot be anticipated accurately on an annual or biennial basis;
and**

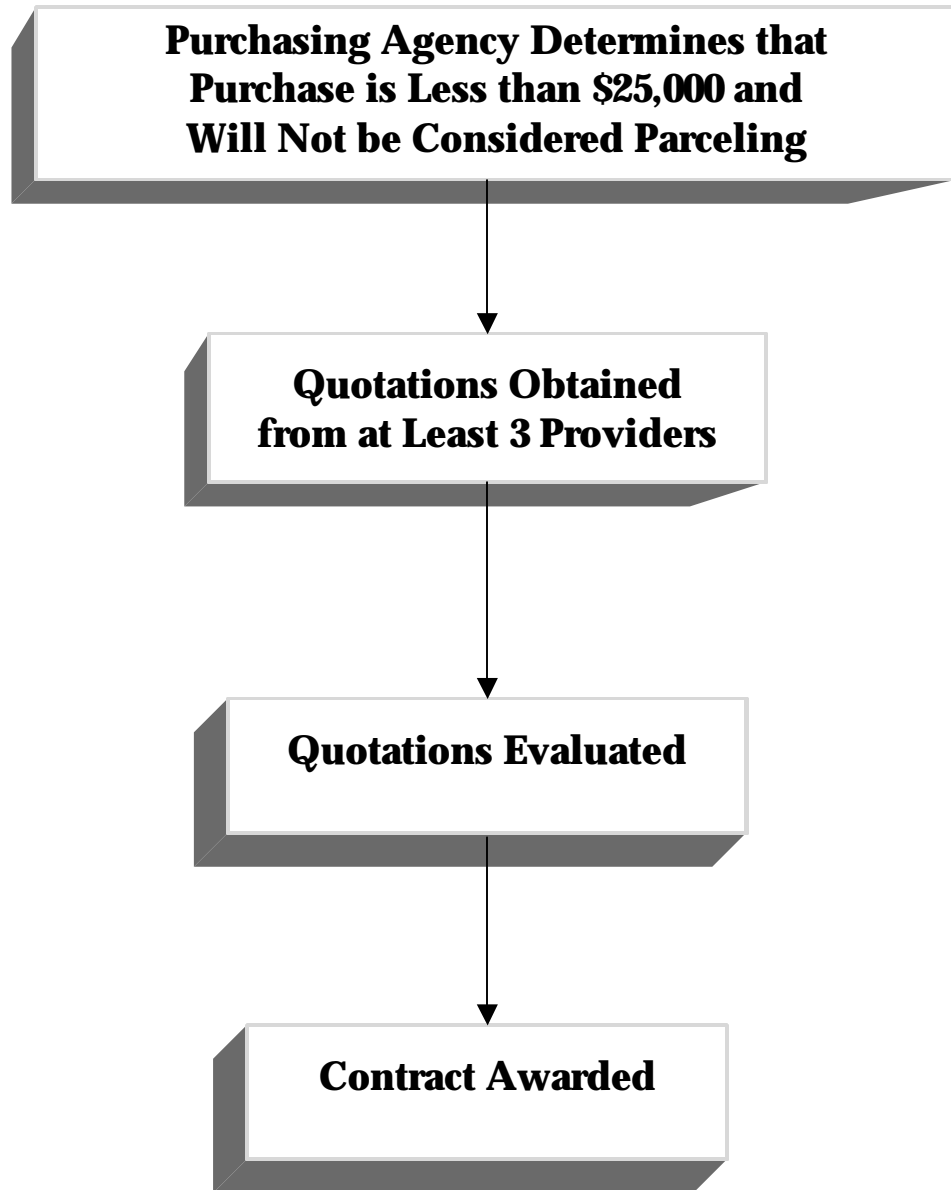
When deferring treatment until solicitation, provider selection, and contract formation can be completed, the problem needing treatment would be rendered worse than at the time of diagnosis or assessment.

Treatment Purchase of Service Method

for the Procurement of Health and Human Services

Brief Description	Heads of purchasing agencies choose the most qualified from a list of qualified providers and negotiate a contract.
Bases for Use	<p>For services by health and social work professionals, that may be needed from time to time, including but not limited to medical treatment, counseling, physical, occupational and other therapeutic services and referral and case management for those services.</p> <p>If either or both of the following are applicable:</p> <ol style="list-style-type: none">1. Such services may become necessary from time to time, but cannot be anticipated accurately on an annual or biennial basis; and/or2. When deferring treatment until the procurement process and contract formation can be completed, the problem needing treatment would be rendered worse than at the time of diagnosis or assessment.
Procedures	<p>Before the beginning of each fiscal year, a notice is published describing the types of treatment services that may be needed throughout the year on a periodic basis and inviting providers to submit current statements of qualifications and expressions of interest to the office of the administrator.</p> <p>A committee of at least 3 qualified employees evaluates submissions and other pertinent information and prepares a list of all qualified applicants.</p> <p>When the need to purchase arises, the head of the purchasing agency selects most qualified provider and a contract is negotiated. If negotiations fail, another provider is selected from the list.</p>
Solicitation Required	Solicitation for qualified providers who are interested in being placed on the list.
Term limit of contract	Contract is limited to one year unless waived by the chief procurement officer.
Monetary Cap	\$100,000 unless waived by the chief procurement officer.
Protests	None specified by statute.
Other Comments	The term "treatment" may be misleading. This method is not to be used for all treatment services, but only as specified in "Bases for Use" above.
Reference	Hawai'i Revised Statutes §103F-404 Treatment Purchase of Services and Hawai'i Administrative Rules (HAR)

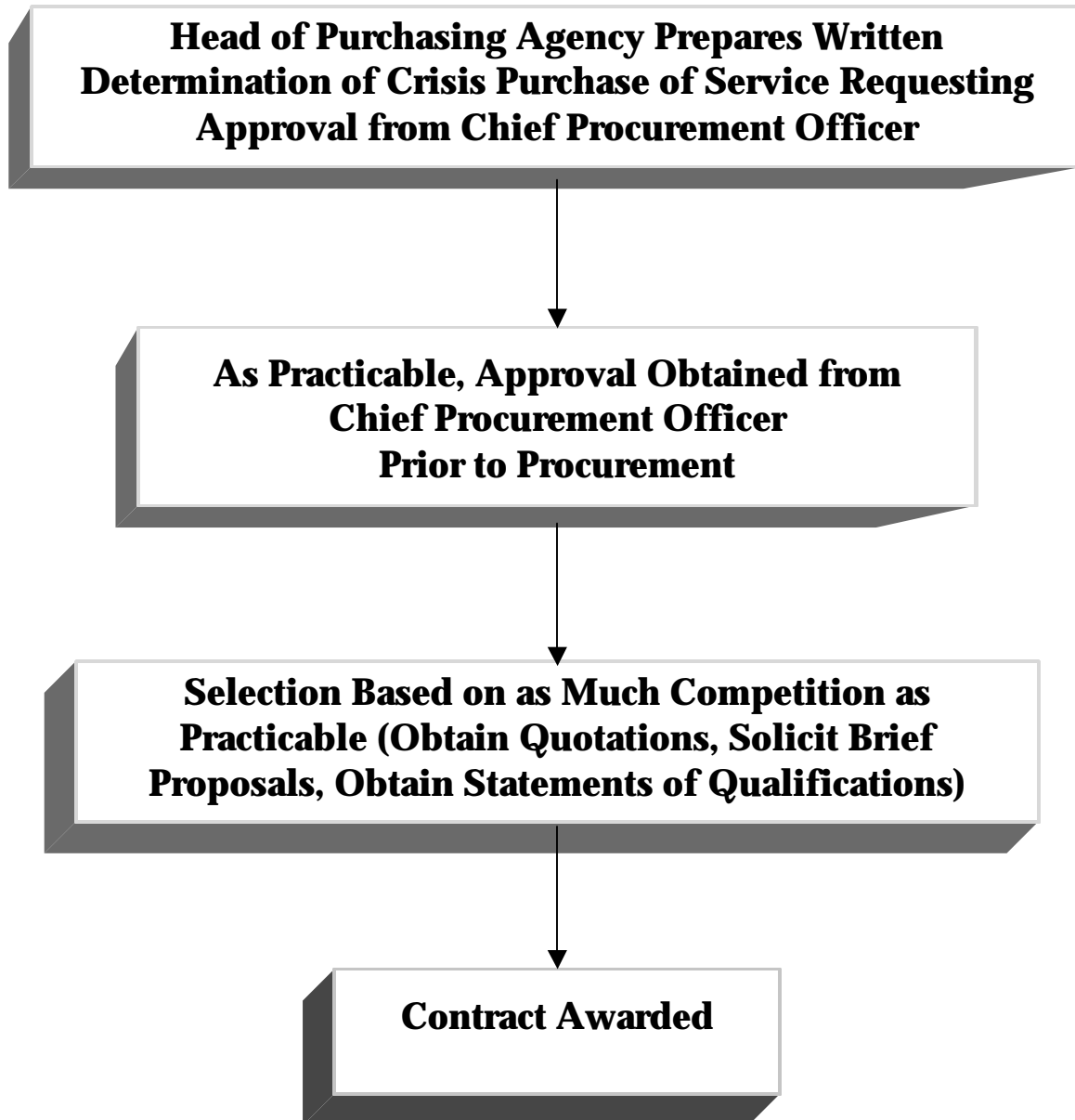
Chapter 103F, HRS
Small Purchase of Service Procurement Process
for Health and Human Services



Small Purchase of Service Method
for the Procurement of Health and Human Services

Brief Description	Services less than \$25,000.
Bases for Use	Purchase is under \$25,000, and in accordance with requirements and rules for small purchases. Generally, this means obtaining 3 quotations. Parceling is not permitted.
Procedures	To the extent as it is practical and based on the purchasing agency's specifications, adequate and reasonable competition of no less than three quotations shall be solicited. The award shall be made to the provider with the most advantageous quotation.
Solicitation Required	Generally, purchasing agency is required to obtain 3 quotations.
Term limit of contract	None specified by statute, but generally for a short period.
Monetary Cap	Less than \$25,000
Protests	None specified by statute.
Other Comments	Dividing the purchase of same, like or related services into service purchases of smaller quantities, to evade the statutory competition purchase of service requirements is not allowed.
Reference	Hawai'i Revised Statutes §103F-405 Small Purchase and Hawai'i Administrative Rules

**Chapter 103F, HRS
Crisis POS Procurement Process
for Health and Human Services**



Crisis Purchase of Service Method

for the Procurement of Health and Human Services

Brief Description	Services for crises seriously threatening life, health or safety; are not already available, and needed immediately.
Bases for Use	Both of the following must be met: <ol style="list-style-type: none">1. The crisis results from domestic violence, physical or mental illness or injury, homelessness, etc. and results in a serious threat to life, health and safety; and2. The crisis generates an immediate and serious need for health or human services that cannot be met through available services from the Departments of Health and Human Services, or under other provisions of Chapter 103F.
Procedures	Crisis purchase of services shall be made with as much competition as is practical under the circumstances. Where practicable, approval from the chief procurement officer shall be obtained prior to the purchase. A written determination of the need to make a crisis purchase and the reasons for selecting the provider shall be included in the contract file.
Solicitation Required	As practicable.
Term limit of contract	Not to exceed six months, or upon a written finding of good cause by the Chief Procurement Officer, twelve months.
Approval Required	Where practicable, approval from chief procurement officer shall be obtained prior to making the purchase.
Monetary Cap	Limited by availability of funds.
Protests	None specified by statute.
Reference	Hawai'i Revised Statutes §103F-406 Crisis Purchase of Services and Hawai'i Administrative Rules